



February 17, 1999

HOUSE BILL No. 1640

DIGEST OF HB1640 (Updated February 11, 1999 3:52 pm - DI 58)

Citations Affected: IC 6-2.5.

Synopsis: Sales tax exemption for digital TV equipment. Exempts from sales tax the purchase of telecommunications machinery or equipment used to enable a television station located in Indiana to originate and broadcast or to receive and broadcast digital television signals in compliance with federal law.

Effective: July 1, 1999.

Bauer, Buck

January 21, 1999, read first time and referred to Committee on Ways and Means.
February 19, 1999, reported — Do Pass.

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February 17, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1640

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-5-39 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 1999]: **Sec. 39. (a) Transactions involving telecommunications**
4 **machinery or equipment are exempt from the state gross retail tax**
5 **if the following conditions are met:**

6 (1) **The person acquiring that property is a television station**
7 **located in Indiana.**

8 (2) **The television station acquiring that property acquires it**
9 **to originate and broadcast or to receive and broadcast digital**
10 **television signals in Indiana.**

11 (3) **The property is purchased to facilitate compliance with:**

12 (A) **the federal Telecommunications Act of 1996**
13 **(47 U.S.C. 336); and**

14 (B) **the Federal Communications Commission Order issued**
15 **April 21, 1997 (47 CFR 73).**

16 **(b) The exemption provided under this section does not apply to**
17 **the following:**

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- 1 **(1) Repair or replacement parts purchased for the machinery**
- 2 **or equipment described in subsection (a).**
- 3 **(2) Machinery or equipment purchased to replace machinery**
- 4 **or equipment for which an exemption was previously claimed**
- 5 **under this section.**
- 6 **(3) Machinery or equipment purchased after the earlier of:**
- 7 **(A) the date that the television station ceases analog**
- 8 **broadcasting; or**
- 9 **(B) July 1, 2003.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1640, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BAUER, Chair

Committee Vote: yeas 23, nays 1.

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